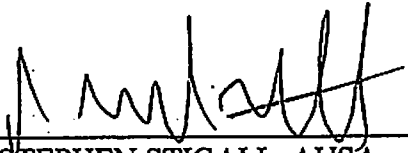


CONTENTS APPROVED

UNITED STATES ATTORNEY

By:


R. STEPHEN STIGALL, AUSA

Date:

4/12/12

ATTACHMENT A

From in or about March 2009 through on or about September 1, 2011 at Pleasantville, in Atlantic County, in the District of New Jersey, and elsewhere, the defendants

ADAM LACERDA,
a/k/a "Robert Klein,"
ASHLEY R. LACERDA,
STEVEN COX,
a/k/a "Steve Coluzzi,"
IAN RESNICK,
RYAN E. BIRD,
a/k/a "Chris Jackson," a/k/a "Matthew Bross,"
ALFRED GIORDANO, a/k/a "Alex Jordan,"
FRANCIS SANTORE,
a/k/a "Frank Martin,"
BRIAN CORLEY, a/k/a "John Corley,"
VINCENT GIORDANO,
a/k/a "Alex Jordan,"
JOSEPH SAXON,
AIMEE ALLEN,
GENEVIEVE MANZONI,
ERIC REILLY,
CATHERINE BANNIGAN,
ERIC K. REIFF,
a/k/a "Skip," a/k/a "Skip Ray," and
JOSEPH DIVENTI

did knowingly and intentionally conspire and agree with each other, with Co-Conspirator 1, Co-Conspirator-2, and with others to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice is set forth below in substance and in part, and for the purpose of executing such scheme and artifice, to cause to be placed in a post office and authorized depository for mail, and cause to be delivered in accordance with directions thereon, certain mail matter as more fully described below, to be sent and delivered by the United States Postal Service, contrary to Title 18, United States Code, Section 1341.

In violation of Title 18, United States Code, Section 1349.

ATTACHMENT B

I, John J. Mesisca, (the "affiant"), state that I am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein based upon my own investigation, including a review of documents obtained during the investigation, conducting interviews of defendants, witnesses, and victims, as well as information provided to me by other law enforcement officers. Since this Affidavit is submitted for the sole purpose of establishing probable cause to support issuance of a complaint, I have not necessarily included each and every fact known by the government concerning this investigation.

1. I have been employed as an FBI Special Agent since March 1995, and I am currently assigned to the Newark Division, Atlantic City Resident Agency. During that time, I have investigated cases involving allegations of mail and wire fraud, securities fraud, and money laundering and have been the "lead" or case agent on numerous investigations. During the course of my investigations, I have utilized informants and cooperating witnesses (including the use of consensual monitoring techniques); conducted surveillance; analyzed financial and tax records, telephone toll records, and pen register records; and

conducted interviews. In addition, while employed with the FBI, I have received specialized training in financial crimes and have received formalized investigative training at the FBI's training academy in Quantico, Virginia.

OVERVIEW OF THE INVESTIGATION

2. In July 2010, I commenced an investigation into The Vacation Ownership Group, a/k/a VO Group LLC (the "VO Group"). The investigation has revealed that beginning at least from in or about March 2009 and continuing to on or about September 1, 2011, defendants ADAM LACERDA, a/k/a "Robert Klein," ASHLEY R. LACERDA, STEVEN COX, a/k/a "Steve Coluzzi," IAN RESNICK, RYAN E. BIRD, a/k/a "Chris Jackson," a/k/a "Matthew Bross," ALFRED GIORDANO, a/k/a "Alex Jordan," FRANCIS SANTORE, BRIAN CORLEY, a/k/a "John Corley," VINCENT GIORDANO, a/k/a "Alex Jordan," JOSEPH SAXON, AIMEE ALLEN, GENEVIEVE MANZONI, ERIC REILLY, CATHERINE BANNIGAN, ERIC K. REIFF, a/k/a "Skip," a/k/a "Skip Ray," and JOSEPH DIVENTI through the VO Group participated in a fraudulent scheme in which representatives of the VO Group telephonically contacted owners of timeshare vacation properties purchased from Flagship Resort Development ("Flagship"), Wyndham Vacation Resorts Inc. ("Wyndham"), and other timeshare developers and convinced the owners in some cases to submit money to the VO Group purportedly

to pay off the owners' "mortgages"¹ on their timeshares. The VO Group claimed that the timeshare owner could pay off the mortgage balance at a substantially reduced amount - often by as much as fifty percent (50%) - of the amount of the owner's original mortgage - by mailing payment to the VO Group at a P.O. Box in Pleasantville, New Jersey. The VO Group representatives also got timeshare owners to send the VO Group money purportedly to have timeshares cancelled or sold. After receipt of payments for the VO Group's "service," the conspirators caused those payments to be deposited into a bank account in the name of the VO Group. Rather than paying off the timeshare owner's mortgage, cancelling the owner's timeshare, or selling the timeshare, the conspirators used the timeshare owner's money for their personal use.

3. The investigation has also revealed that in an attempt to cover up the scheme, the conspirators in most cases have engaged in a "bait and switch" tactic by purchasing an additional timeshare in the victim's name without the victim's knowledge. The victim purportedly had assented to the purchase based on documents the VO Group previously emailed to the victim for

¹ I have learned from the investigation that when individuals purchase timeshares, they often pay by making a down payment on the timeshare and finance the balance of the purchase price by obtaining a loan. I have further learned that these loans are deemed "mortgages" by the timeshare industry.

signature even though the victim had been led to believe that the victim was simply paying off the victim's original timeshare mortgage.²

4. During the course of the investigation, the FBI has interviewed approximately 225 victims of the conspirators' scheme identified to date. Many of the victims in this matter are elderly, causing them to be more vulnerable to the scheme. The FBI has determined that the conspirators defrauded the victims of more than \$2,400,000.

THE INVESTIGATION

A. Establishment of the VO Group

5. Department of Treasury records show that on March 20, 2009, the Department of Treasury issued an employer identification number to the VO Group, listing defendant ADAM LACERDA as its sole member.

6. The investigation has also revealed that on or about March 23, 2009, defendant ADAM LACERDA established a web site for the VO Group registered to defendant ASHLEY R. LACERDA. The VO Group also has another website. According to the VO Group's

² As more particularly set forth below, the VO Group purchased a second time share without the victim's knowledge by purchasing a new timeshare for a fraction of the cost, allowing the conspirators to retain the victim's money for the conspirators' personal use.

websites, the VO Group is a timeshare consulting firm which offers, among other things, timeshare cancellation services and timeshare and vacation ownership purchases and upgrades.

7. TD Bank records reveal that TD Bank issued Account Number 7869288238 in the name of the VO Group on or about March 27, 2009, with defendants ADAM LACERDA and ASHLEY R. LACERDA having signature authority on the account. The investigation has also revealed that The Bank issued an account in the name of the VO Group.

B. Flagship Timeshare Owners

8. As noted above, the conspirators' scheme involved duping Flagship timeshare owners into sending money to the VO Group purportedly to pay off the owners' timeshare mortgages. I have learned from the investigation that Flagship, located in Brigantine, New Jersey, is in the timeshare business and has approximately thirty thousand (30,000) customers/clients.

9. A representative of Flagship informed the FBI, in substance and in part, that several individuals from the VO Group were contacting and representing to Flagship timeshare owners that the owners could pay off their mortgage balance at a deep discount. The VO Group representatives told Flagship customers to send money representing the payoff to the VO Group at a post office located in Pleasantville, New Jersey. The VO Group

representatives further said that once the money was received, the owners would receive clear title and the mortgage would then be paid off. The Flagship representative explained to the FBI that the VO Group's actions were without Flagship's authorization and no mortgages were ever paid off. Also, an analysis of the business records from March 2009 to December 2011 failed to find any payment being made to Flagship to pay off any mortgage.

10. Further investigation into the VO Group's actions revealed that numerous Flagship owners had sent money to the VO Group to pay off their timeshare mortgages for Flagship properties only to learn that, in fact, Flagship never received the payoffs and that the Flagship timeshare owners still owed the full balance of their timeshare mortgage.

11. For example, the FBI interviewed RM, a Flagship timeshare owner, on October 13, 2010. RM informed the FBI agents, in substance and in part, of the following: defendant JOSEPH SAXON of the VO Group contacted RM and offered RM an opportunity to pay off the mortgage on RM's Flagship timeshare at a substantially reduced rate. SAXON said that he was working with a bank that wanted to buy out RM's timeshare mortgage. SAXON explained that the bank would agree to a lower rate to reduce the risk to the bank that a timeshare owner would renege on paying the mortgage, leaving the bank with nothing. SAXON

said that the VO Group would go to the bank to get a settlement price which would likely fall somewhere between \$5,000 and \$9,000 - a reduction of RM's current \$12,000 mortgage on RM's timeshare. RM agreed, and the VO Group emailed RM a purchase agreement, a copy of which RM provided to the FBI. Upon receipt of the email from the VO Group containing the purchase agreement, RM electronically "opened" the document containing the purchase agreement. Upon opening the purchase agreement, a pop-up box prompted RM to click "yes" if RM accepted the purchase agreement. When RM clicked "yes," RM's electronic signature was automatically affixed to the purchase agreement. RM then emailed the purchase agreement back to the VO Group. I have reviewed the purchase agreement provided to the FBI from RM. The purchase agreement, dated June 2, 2010, lists the VO Group with an address of a P.O. Box in Pleasantville, New Jersey as the seller and lists RM as the buyer. The purchase agreement further states, in substance and in part, that RM agreed to settle on a "studio red season" in the amount of \$6,545.00 and that once funds had been procured, RM would receive a free and clear title. The purchase agreement also notes that RM would then only be responsible for yearly maintenance fees.

12. On or about June 7, 2010, RM contacted the Flagship customer service telephone number and spoke with a customer

service representative to determine the mortgage balance on the timeshare. The Flagship customer representative informed RM that the full balance was \$13,066.62 and that RM's first payment was due June 20, 2010. RM explained to the customer service representative that RM had paid the balance in full by mailing a cashier's check in the amount of \$6,545 to a P.O. Box in Pleasantville, New Jersey. RM further explained that VO Group representatives - defendants JOSEPH SAXON and AL GIORDANO - told RM that if RM mailed a check to the VO Group in the amount of \$6,545.00, RM's mortgage would be paid and that RM's account would be paid in full. RM also said that the VO Group representatives had informed RM that once paid, RM would receive a deed and title for RM's timeshare.

13. A review of bank records from TD Bank shows that RM's Bank of America cashier's check in the amount of \$6,545.00 was deposited into the VO Group's TD Bank business checking bank account, Account Number ending in 8238 (hereinafter referred to as the VO Group's TD Bank account or VO Group bank account) on June 4, 2010. The deposit slip for that deposit indicated that defendant ADAM LACERDA made the deposit into the VO Group bank account.

14. In September 2010, RM received documents showing that RM purportedly purchased a new timeshare property in Atlantic

County, New Jersey. This property was settled through Timeshare Closing Services of Orlando, Florida. RM had no knowledge of this purchase and did not authorize it. RM could never afford a second timeshare as RM is on a fixed income. Until RM is able to demonstrate in court that RM did not make this second timeshare purchase, RM will now be obligated to pay yearly maintenance fees and possible other charges associated with ownership of another property.

15. Upon further investigation, I learned that the new timeshare purportedly "purchased" by RM was purchased for \$595.00. It appears from the investigation that the VO Group purchased the property through the secondary market.³ The VO Group then used a portion of the funds received from victims like RM to purchase another timeshare unit and claim that was why victims like RM sent the VO Group money, none of which is true.

16. The FBI also interviewed CH on September 30, 2010 - another victim of the conspirators' scheme. CH informed the FBI agents, in substance and in part, of the following: CH had purchased a new timeshare property in Atlantic City, New Jersey

³ During the course of the investigation, I have learned that currently there is no market for the sale of any timeshare units and many timeshare owners are just trying to sell the unit in order to get out of the yearly maintenance fees associated with owning a timeshare.

on May 2, 2010. CH then received a telephone call from defendant JOSEPH SAXON of the VO Group. SAXON claimed that he was working with the bank that held CH's \$13,770 mortgage on the Flagship timeshare CH had purchased and that the bank wanted to settle the loan. SAXON agreed to settle the mortgage for \$5,925.00 to which CH also agreed. The VO Group then emailed CH a purchase agreement, a copy of which CH provided to the FBI. CH explained, in substance and in part, that upon receipt of the email from the VO Group containing the purchase agreement, CH electronically "opened" the document containing the purchase agreement. Upon opening the purchase agreement, a pop-up box prompted CH to click "yes" if CH accepted the purchase agreement. When CH clicked "yes," CH's electronic signature was automatically affixed to the purchase agreement. CH then emailed the purchase agreement back to the VO Group. I have reviewed the purchase agreement provided to the FBI from CH and it appears to be similar to the one the VO Group emailed to RM, noted above. CH informed the FBI, in substance and in part, that CH sent a check for \$5,925.00 to a Post Office box located in Pleasantville, New Jersey.

17. CH continued to call the VO Group to determine why CH's timeshare mortgage had not been paid off. CH had difficulty getting through to a live person at the VO Group, but eventually spoke with defendant JOSEPH SAXON. SAXON told CH several times

that CH's mortgage had been paid off and that SAXON would try and get the paperwork. Sometime in September, 2010, however, CH received paperwork from Timeshare Closing in Orlando, Florida advising CH that CH had purchased a new timeshare property. CH had no knowledge of this "purchase" and had not authorized it.

18. A Flagship representative has confirmed that CH's mortgage was never paid off and that the VO Group was never authorized to conduct any such transaction.

19. A review of the VO Group's TD Bank account has revealed that CH's check referenced above was deposited into the VO Group TD Bank bank account on June 3, 2010. In addition, the review has revealed no payment made to Flagship to settle the original mortgage.

C. Wyndham Timeshare Owners

20. As noted above, the investigation has revealed that in addition to Flagship timeshare owners, the conspirators perpetrated their fraudulent scheme against owners of timeshares marketed and sold by Wyndham. I have learned from the investigation that Wyndham is in the timeshare business and has approximately five hundred fifteen thousand (515,000) customers/clients throughout the world.

21. As an example of the scheme perpetrated against a Wyndham timeshare owner, an FBI agent interviewed PP on November

1 and 12, 2010. PP informed the FBI agent, in substance and in part, of the following: Co-conspirator 1 called PP and said that the VO Group could get PP out of PP's mortgage on PP's Wyndham timeshare. At the time, PP's outstanding timeshare mortgage was \$92,000, and Co-Conspirator 1 offered to settle the debt for \$38,900. When PP asked Co-Conspirator 1 how the VO Group could settle PP's debt at such a low rate, Co-Conspirator 1 explained that the bank which held PP's timeshare mortgage had contracted with the VO Group to settle timeshare mortgages due to the large amount of foreclosures and defaults with timeshares. When PP said PP would not enter into the settlement, Co-Conspirator 1 assured PP that everything was on the up and up. . Although PP did not have \$38,900 to settle PP's timeshare debt, PP borrowed the money from PP's father and sent it to the VO Group.

22. A review of the VO Group's TD Bank account has revealed that PP's check referenced above was deposited into the account on September 7, 2010. The memo section of the check states, in substance and in part, that the purpose of the check was to "pay off timeshare."

23. On October 25, 2010, Wyndham advised the FBI that PP's mortgage for his/her time share was still outstanding and that no pay off of the loan was made for PP's Wyndham timeshare.

D. The Undercover Operation

24. On October 21, 2010, an FBI Special Agent, posing as a Flagship timeshare owner (hereinafter, "UC"), contacted the VO Group at 1-800-381-9469, the number listed on the VO Group website. This call was consensually monitored and recorded. During the call, the UC asked to speak with someone about getting out of the UC's Flagship timeshare mortgage. A VO Group representative transferred the UC's call to defendant JOSEPH DIVENTI. During the conversation, DIVENTI stated, in substance and in part, that the VO Group worked with banks and the banks sometimes settled a timeshare mortgage for forty cents on the dollar. DIVENTI also directed the UC to visit the VO Group's websites and view information about the VO Group.

25. On October 24, 2010, defendant JOSEPH DIVENTI left a message on the UC's phone requesting that the UC call DIVENTI back. The UC did so. During the call, which was consensually monitored and recorded, DIVENTI stated, in substance and in part, that there was a high risk associated with timeshares which have about a forty percent foreclosure rate, and the VO Group worked with banks to settle timeshare mortgages. DIVENTI further provided an example of how the VO Group could assist the UC, explaining, in substance and in part, that if a timeshare owner owed \$40,000 on a timeshare mortgage, the bank might settle the

debt for \$15,000 to avoid the loan going into default.

26. On October 26, 2010, the FBI interviewed an investigator with the State of New Jersey, Department of Banking and Insurance, Real Estate Commission. During the interview, the FBI learned that the investigator had spoken with defendant JOSEPH SAXON on October 26, 2010. SAXON told the investigator, in substance and in part, the following: SAXON had been employed at the VO Group until he quit approximately one month prior. He quit because he was allegedly troubled by the way the VO Group operated its business. VO Group representatives contacted timeshare owners and falsely told the owners that the VO Group was associated with a bank and could get the owners out of their current Wyndham timeshare mortgage. When making calls to timeshare owners, it was standard practice for VO Group representatives to use fake names. The VO Group representatives were able to convince timeshare owners to submit payment to the VO Group which purportedly would pay off the owners' existing timeshare mortgages. Most of the time, however, the VO Group never paid off a timeshare owner's mortgage.

27. On November 2, 2010, the UC, posing as another investigator with the State of New Jersey, Department of Banking and Insurance, Real Estate Commission, called defendant JOSEPH SAXON to ask follow-up questions about the information SAXON had

previously relayed. SAXON ultimately returned the UC's call, and the UC and SAXON had three conversations.⁴ During the conversations, SAXON stated, in substance and in part, that the VO Group's entire business was fraudulent and that the VO Group simply took timeshare owners' money the owner believed would be used to pay off their timeshare mortgage but never actually paid the mortgage off.

28. Defendant JOSEPH SAXON further stated, in substance and in part, the following: As a VO Group "sales representative,"

⁴ During the conversations with the UC, defendant JOSEPH SAXON provided information about the VO Group and the scheme to defraud, as set forth above. The information SAXON provided is corroborated by the FBI's independent investigation. For example, SAXON stated, in substance and in part, that he had worked at the VO Group prior to May 2010 and left on or about October 3, 2010. The FBI obtained the VO Group's bank account records from March 2010 through September 2010 and a review of those records has revealed that SAXON was paid "commission" checks by the VO Group from March through September 2010. It should be noted that when SAXON was interviewed by the investigator with the New Jersey Department of Banking and Insurance, Real Estate Commission on October 26, 2010, SAXON said he had left the VO Group approximately one month earlier. In addition, SAXON told the UC, in substance and in part, that he was making approximately \$8,000 - \$10,000 every two weeks while at the VO Group. A review of the above-referenced bank records for the VO Group show that in 2010 SAXON was paid \$43,508.60 by the VO Group. SAXON also provided three victim names with whom he corresponded to get the victims to send money to the VO Group purportedly to payoff the victims' timeshares. The FBI was aware of two of those victims.

SAXON contacted timeshare owners and gave a sales pitch, offering to negotiate with lenders to have the timeshare owner's mortgage paid off at a substantially reduced rate. He used a sales pitch - a script which has been typed out - while making the call to the timeshare owner.

29. Defendant JOSEPH SAXON also stated, in substance and in part, the following: Once a timeshare owner indicated that he/she was interested in paying off their timeshare mortgage, a purchase agreement would be forwarded by email to the intended victim. A computer program called "Echosign" was used to have the customer electronically sign the purchase agreement. The computer program put prompts in the document which asked if the timeshare owner agreed to the purchase agreement to click a box. Upon clicking the box "yes," the computer program affixed an electronic signature to the purchase agreement in the timeshare owner's name. The timeshare owner would then email the electronically signed purchase agreement back to the VO Group.

30. Defendant JOSEPH SAXON also admitted, in substance and in part, to the following: After the purchase agreement had been received by the VO Group, SAXON contacted the intended victim and directed him or her to mail payoff payment to the VO Group. The VO Group never negotiated with lenders on behalf of the timeshare owner and that instead the VO Group simply took the victims'

money.

E. Analysis of the VO Group's Bank Accounts

31. Analysis of the VO Group's TD Bank account has revealed that during the period from March 27, 2009 to December 31, 2010, the account had approximately \$2,223,221.457 in deposits from various individuals throughout the United States, including New Jersey. Many of the deposits were from Wyndham and/or Flagship timeshare unit owners and reflected the victim's belief that they were paying off their timeshare mortgage based on information contained on the memo line of the check payable to the VO Group.

32. For example, on April 30, 2010 a \$10,995 check made payable to the VO Group LLC was deposited into the VO Group TD Bank account from BU, a Pennsylvania resident. The memo line contained a notation that the check was for "Wyndham P/O." Based on my education, training, and experience, I understand the letters "P/O" to mean "pay off" and therefore understand the "Wyndham PO" to mean that the check was to pay off BU's Wyndham timeshare mortgage. On October 25, 2010, Wyndham advised the FBI that the mortgage for BU's timeshare was still outstanding and that Wyndham had not received funds to pay off BU's mortgage. The loan balance at the time was \$40,197.54.

33. Similarly, on May 5, 2010 a \$4,000 check made payable to the VO Group LLC was deposited from TC, a New Jersey resident.

The memo line contained a notation that the check was to "pay off Wyndham." Again, based on my education, training, and experience, I understand this notation to mean that the check was to pay off TC's Wyndham timeshare mortgage. On October 25, 2010, Wyndham advised the FBI that the mortgage for TC's timeshare was still outstanding and that Wyndham had not received funds to pay off TC's mortgage. The loan balance at the time was \$41,563.59.

34. The FBI's analysis of the VO Group's TD Bank account also revealed that much of the victims' money sent to the VO Group purportedly to pay off Flagship and Wyndham timeshare mortgages was actually diverted by the conspirators for their personal use. For example, the analysis revealed that between March 27, 2009 and January 25, 2011 - approximately the same time period when the VO Group had \$2,223,221.57 in deposits including deposits from Flagship and Wyndham timeshare owners - the VO Group transferred approximately \$170,000 to checking and savings accounts of defendants ADAM LACERDA and ASHLEY R. LACERDA at TD Bank. As noted above, the only signatories on the VO Group account are ASHLEY R. LACERDA and ADAM LACERDA.

35. In addition to monies being moved to the personal accounts of defendants ADAM LACERDA and ASHLEY R. LACERDA, the analysis of the VO Group's TD Bank account revealed that the business account was used to pay approximately \$615,892 in

numerous personal transactions for the benefit of ADAM LACERDA and ASHLEY R. LACERDA. For example, on July 21, 2010, a deposit of \$15,577 was made in the account comprised of three separate checks from timeshare customers. On the same date there were debit expenses in the account from Louis Vuitton in Atlantic City, New Jersey for \$856.00.

36. Other examples of personal expenditures out of the VO Group account include (i) \$1,500 for a fence at the residence of defendants ASHLEY R. LACERDA and ADAM LACERDA; (ii) \$4,028 for a pool at the residence of ASHLEY R. LACERDA and ADAM LACERDA; (iii) \$817.90 for Justin Bieber tickets; and (iv) \$2,300 to purchase a new family dog. In addition, the analysis of the VO Group TD Bank account has revealed thousands of dollars in debits to the account that included personal transactions, including ATM withdrawals, and charges from veterinarians, hair salons, automobile dealers, nail salons, grocery stores, fast food restaurants, toy stores, clothing stores, water parks, and gas stations.

F. The Execution of Search Warrants

37. On November 4, 2010, FBI agents executed search warrants at the VO Group and the personal residence of defendants ADAM LACERDA and ASHLEY R. LACERDA. The warrants were issued by United States Magistrate Judge Joel Schneider. Among other

things, FBI agents found "VO Group Client Information" forms on the desks of several of the defendants. The client information forms appear to have been filled out by one of the conspirators after making calls to a victim, containing the victim's name, address, email address, and contact information, as well as the name of the sales consultant/co-conspirator.

38. FBI agents also found various telephone scripts the conspirators used when making calls to victims. Examples include:

a. "Script for Calling"

Hello, May I speak to a Mr. or Mrs. _____?

CUSTOMER WILL ANSWER:

Do not let the customer speak until you finish talking!

May [sic] name is _____ and I am calling from the Vacation Ownership Group in reference to your _____ account. The reason for this call is due to a couple complaints you have filed in regards to your ownership, which has now finally been forwarded to my office. Apparently in regards to the complaints you made, one was because of sales practices - meaning you were on tour and feel you were misrepresented, and it is under those pretences [sic] you purchased or upgraded. The other complaint came in through the POA ["Property Owner's Association"] from a 3rd party company, in which you paid for a service and they did not deliver. Is that correct?

CUSTOMER WILL ANSWER:

Do not let the customer speak until you finish

talking!

Let me explain to you the complaint system: When you file a complaint it is either resolved or unresolved, when it is unresolved the banking institutions that own the money in which your note is financed with and the POA will forward the complaint to us for a review and investigation. It then becomes our job to listen to the consumer and get there [sic] side of the stories and check the validity of the complaints. The reason for this is because the banks have a lot of unsecure [sic] debt from timeshare owners and want to make sure that their clients are going to repay their loans. The only way for them to ensure this is to make sure the client is happy.

Would you mind telling me about your situation?

CUSTOMER WILL NOW ANSWER - THEY WILL TELL YOU ABOUT BEING LIED TO AT WYNDHAM, OR THEY WILL TELL YOU ABOUT GETTING RIPPED OFF FROM THE LAST COMPANY THAT CALLED THEM.

...

TAKE WHAT YOU HAVE LEARNED AND PLANT THE SEED ABOUT LOOKING MORE INTO THEIR ACCOUNT AND REPORTING BACK TO THE LENDING INSTITUTION, AND EXPLAINING THAT MAYBE THEY WOULD BE WILLING TO DO A SETTLEMENT THEIR ACCOUNT OR CANCEL [sic] REWRITE.

CUSTOMER WILL RESPOND. IF THE CUSTOMER STARTS TALKING ABOUT THE OWNERSHIP DO EVERYTHING IN REVERSE, HAVE THEM TELL YOU EVERYTHING ABOUT IT, BE VERY EMPATHETIC, AND TELL THEM HOW SORRY YOU ARE THAT ALL THIS HAS HAPPENED TO THEM, AND WHEN THEY FINISH ASK THEM IF THAT WAS THE REASON WHY THEY TRIED TO EITHER SELL IT OR RENT IT. THEY WILL THEN TELL YOU YES AND THAT'S WHEN YOU WILL ADVISE THEM ABOUT ALL THE SCAMS AND HOW TO GET THEIR MONEY BACK. AFTER YOU GO THROUGH THAT PROCESS, YOU WILL REPEAT THE LAST STEP.

PLANT THE SEED ABOUT LOOKING MORE INTO THEIR ACCOUNT AND REPORTING BACK TO THE LENDING INSTITUTION, AND EXPLAINING THAT MAYBE THEY WOULD BE WILLING TO DO A SETTLEMENT ON THEIR ACCOUNT OR A CANCEL [sic] RE-WRITE.

END RECAP:

Ok Mr. And Mrs. _____, this is what I need you to do. Give me some time to work on all of you [sic] other stuff because it doesn't sound like this is going to be an easy fix, but it is fixable. While I'm working on this I want you to send me an email of the companies that have paid and taken your money and then start the disputing process. When I get the email I will forward it over to my legal department and have them start calling the [sic] speed up refund process for you. But again, give me a few hour [sic] to read more into your account and gather some more information to see what I am able to do to resolve the other issues at hand.

b. "Vacation Ownership Group Phone Objective"

1ST CALL BEING MADE:

Yes, may I please speak with Mr. or Mrs. _____. hi [sic] Mr. or Mrs. _____, my name is _____ and I'm calling from the vacation ownership group in reference to your _____ account. The reason for this call is due to a couple complaints that went unresolved about your ownership with _____ and has been forwarded to my office for investigation. Apparently, your complaint was in regards to the sales practices and was directly related to your past purchase.

(reference to date and or the property location in which they own on the lead sheet, and explained [sic] that the complaint was given some time after this)

Tell me a little but about your situation:

- the client will do one of two things, they will either start telling you about their situation or get their significant other to tell you about the situation or they will tell you that they never made a complaint. Let them do so and then follow right into the complaint system:
- If they tell you that they've never made a complaint then you should respond (I can appreciate that and I guess it is possible that enough time has gone by that you may not remember what is that you complained about. However, I can assure you without any question that you definitely called in complaining about something otherwise, it would not be sitting in front of me now asking to investigate. Let me explain to you how the complaint system works.

COMPLAINT SYSTEM:

Usually sometime after a purchase, a customer realizes that they were lied to outside their time of rescission and they will call into the company which they purchased in order to complain. The person on the phone will take your complaint and send it off to the site and what you purchased. At that point they will call the sales representative in and get their response to the complaint and also hear their side of the story. At this point in time the complaint is either resolved or unresolved. Judging by the client [sic] that we speak to on a day-to-day basis generally the complaints rarely get resolved and the client ends up being stuck paying for lies.

Now as you know when you sign your contract with the company, you also sign the servicing disclosure agreement which allows this company to then sell your loan with hundreds of millions of dollars of other loans to the highest bidder. And since the loan is no longer in their hands this is generally why those complaints are unresolved.

However, the financial institutions that physically own the money in which you are repaying do have the right to know when a complaint is placed on file. The reason why they want to know is because timeshares are already an unsecured debt and very risky. So with an unsecured loan with a probability of repayment already on the low end of things, the financial institutions need to know about the complaints so they can assess how much more risky the loan just became. So again our job is to investigate the complaint, check the validity of the complaint, and make sure that the consumer is happy so the financial institutions do not to worry about whether or not they going to get their money repaid.

. . . .

this is where your first call is going to end. Let the customer know that you've heard everything that [sic] had to say and first things first let's work on getting their money back from the scam companies. In regards to their complaint with the developer you wish you could help them right now but unfortunately you can't. Your job is very specific on that you need to also contact the developer and get their side of the story. What the client is telling you makes a lot of sense and you hear it on an everyday basis, but the developer is also entitled to their side of the story and you're going to have to communicate with them before you can move any further in regards to resolving their complaint. Let them know that you will be contacting them later to talk about this further and see what options they may have but for now focus on getting the money back.⁵

⁵ Based on numerous victim interviews, it appears that this script was used as a first call to get the customer interested. The VO Group never contacted any developer to resolve any complaint. The VO Group never had an actual complaint and did no investigation. The VO Group never worked for any financial institution or banks and had no ability to satisfy anyone's current

c. "Simple Principles of a Settlement"

The banks have hired us to contact all owners who were unable to attend the POA meeting, simply to make them aware of some opportunities that were available, to be fair to everyone.

Had you known that this were an option for you I'm assuming that would have taken advantage of setting up a free and clear deed with a \$0 balance am I correct?

Obviously when buying an account out for a significant lower amount, it had to be paid in full. What kind of money would you have available in order to do so?

I can't do anything about this at this moment, but if we can contact the bank that your loan has been sold to and negotiate a reasonable figure, is it something that you'd be able to do?⁶

d. "Owner's Script"

I'm calling with the Vacation Ownership Group, we are hired by the Property Owners Association to make sure you received all the info from the meeting this year and it doesn't look like you were in attendance, correct, (NO)

Well let me tell you what was different about the meeting this year.

With the economy the way it is right now, people

debt.

⁶ As set forth below, FBI agents interviewed defendant ALFRED GIORDANO, a/k/a "Alex Jordan," on or about November 4, 2010. During the interview, ALFRED GIORDANO, a/k/a "Alex Jordan," admitted, in substance and in part, that he hand-wrote this script. During execution of the search warrant at the VO Group, FBI agents found this script at the desks of many of the sales representatives/co-conspirators.

are losing their jobs & they have a choice of losing their timeshare or their home > Which do you think they are gonna keep? So they had representatives from the resorts, banks, property association and the Vacation Ownership Group.

Okay solutions we will contact resort, property owners assoc, and if necessary the bank.

My name is Alex Jordan with the VO Group. This is reference to your Wyndham account. Its just a courtesy call, I was asked to touch base with Wyndham Property Owners just to make sure that there are no unresolved issues and that you are satisfied with your ownership. We are customer service reps that work with Wyndham POA's and lending institutions that Wyndham uses.

e. "Resort Cancellation Campaign"

We guarantee our services contractually as well as offer a money back guarantee. The first order of business is to cancel your contract for the purchase of a VOI (Vacation Ownership Interest) with Wyndham Vacation Resorts. Resort cancellations are done on a case by case basis and are subject to acceptance by our underwriting department. If your case is accepted your contract will be canceled effectively, relieving you of any further obligation of ownership and payment. . . . Upon acceptance we will begin the cancellation campaign on your behalf. The cost of this service is 10% of your financed balance, in your case \$_____

f. "Property Owners Association"

We are a consumer protection agency hired by your property association. All of this information was available at your last quarterly meeting at which you didn't attend. Every owner has certain rights entitlements based on their complaint history and loan structures. every case is different and Im just gathering some basic information to see if you guys are eligible for any changes in your

contract and if that is something you be interested in. ... I will have a senior underwriter take a look at and investigate your account to see if you are eligible for and changes in your contract.

g. "Leaving Messages"

Hi? This message is for _____. This is _____ calling from the Vacation Ownership Group. We have received a couple of complaints that went unresolved about your ownership with _____. We need to get this complaint resolved which is why it has ended up on my desk. Please give me a call at your earliest convenience at 800 [] ext _____. Thank you and have a great day.

Victims' descriptions of their conversations with the VO Group "sales representatives" match the scripts sets forth above.

SPECIFIC EXAMPLES OF THE DEFENDANTS' CONDUCT⁷

Defendant ADAM LACERDA

39. During an interview on February 28, 2011, AF informed an FBI agent, in substance and in part, of the following:

"Robert Klein" (defendant ADAM LACERDA) called AF from the VO Group and said the VO Group could settle AF's \$60,000 timeshare mortgage debt for the one-time price of \$34,663. "Klein" explained that Wyndham had sold AF's timeshare mortgage to a

⁷ Although the following examples demonstrate each defendant's conduct during the conspiracy, the investigation has revealed that the conspiracy continued until at least as late as September 1, 2011 based on interviews of victims and a review of records obtained during the course of the investigation.

bank, and that the VO Group represented the bank. "Klein" further explained that the bank wanted to settle AF's timeshare mortgage at a discount for a one-time fee. AF mailed a check to the VO Group believing that once the money was sent, AF would have no further financial obligation to Wyndham except for yearly maintenance fees.

40. A review of the VO Group's bank account records shows that a check dated March 5, 2010 written by AF for \$34,663 was endorsed by defendant ADAM LACERDA and deposited into the account on March 8, 2010. AF wrote "full payment of Wyndham loan" on the memo line of the check. The investigation, however, has revealed that AF's timeshare mortgage was never paid off, and AF has not gotten back the money paid to the VO Group.

41. During an interview on December 8, 2010, DJ informed an FBI agent, in substance and in part, of the following: On or about August 15, 2010, "Robert Klein" (defendant ADAM LACERDA) and "Alex Jordan" (defendant VINCENT GIORDANO) contacted DJ from the VO Group and said that the VO Group would negotiate with Wyndham to get a lower pay off price than what DJ owed on DJ's timeshare mortgage with Wyndham. At the time, DJ owed approximately \$48,000 on DJ's timeshare mortgage. "Klein" said the VO Group could pay off DJ's timeshare mortgage if DJ sent the VO Group \$31,829 right away. "Klein" also said that if DJ was

not satisfied at any point, the VO Group would refund DJ's money. DJ did not have the money to send to the VO Group, so DJ borrowed money from a home equity loan and line of credit. DJ sent a \$31,829 check to the VO Group on or about September 3, 2010 believing that DJ's timeshare mortgage would be paid off.

42. The investigation has revealed that DJ's timeshare mortgage debt was never paid off, and the VO Group did not refund the money DJ paid to the VO Group.

Defendant ASHLEY LACERDA

43. A cooperating witness ("CW-1")⁸ and former employee of the VO Group informed FBI agents, in substance and in part, of the following: Once a VO Group sales representative completed a "sale" by having a victim agree to send money to the VO Group, the sales representative would prepare a settlement sheet with all pertinent information about the victim, who the sales representative was on the transaction so that the sales representative could receive a commission for getting the

⁸ CW-1 has proven to be credible and reliable. During the instant investigation, CW-1 has provided the FBI with information regarding significant criminal conduct. The FBI has been able to independently corroborate CW-1's information through other witness interviews and a review of documents seized during execution of the search warrant at the VO Group's office, and other documents obtained during the course of the investigation.

timeshare owner to send money to the VO Group, and all pertinent information about the purported transaction the VO Group would be handling on behalf of the timeshare owner. Law enforcement officers found many of these settlement sheets at the VO Group's office upon executing the search warrant referenced above. Many of the settlement sheets contained the fake names some of the sales representatives used when calling from the VO Group.

44. CW-1 explained that the sales representatives gave the completed settlement sheets to defendant ASHLEY R. LACERDA. ASHLEY LACERDA would then send out contracts to victims which purported to encapsulate what the VO Group would be doing on the victim's behalf. As noted above, these contracts included purchase agreements as part of a "bait and switch" tactic in which the customer believed he or she was paying off his or her original timeshare but in reality were purchasing another timeshare in addition to the one the customer already owned.

45. CW-1 also said that the conspirators used bogus customer references by having some conspirators pose as satisfied customers of the VO Group on behalf of other conspirators. Defendant ASHLEY R. LACERDA told CW-1, in substance and in part, that she knew the conspirators were doing this.

Defendant STEVEN COX

46. During an interview on November 18, 2010, NP informed

an FBI agent, in substance and in part, of the following: "Steve Coluzzi" (defendant STEVEN COX) called NP and said he could get NP's timeshare mortgage satisfied. "Coluzzi" said he worked directly with the bank and because the real estate market and economy were bad, he was able to offer a large discount to NP to satisfy NP's timeshare mortgage with Wyndham. In a September 16, 2010 email - a copy of which NP provided the FBI - "Coluzzi" wrote, in part:

It was a pleasure speaking to you! I will do some work, and investigate your situation. I will propose a settlement [sic] offer on your behalf, for 500,000 points. We will do all the work, there is no fee for our service, and you will have access to all of our company's benefits free of charge! At the end of the process, you will be debt free on the currant [sic] deed, you will be free and clear with a new deed and our legal team will do everything that needs to be done!

In a September 18, 2010 email - a copy of which NP provided to the FBI - "Coluzzi" wrote, in part:

The first offer for settlement came back at over \$30,000 to settle in lieu of OVER 100,000.000 owed! Although this is a fabulous offer, it could be lower! I will continue to work on your behalf, to settle. . . . I feel as though we could get to approx. \$25,000.

"Coluzzi" also sent another email on September 23, 2010, stating that he would try to get a lower settlement amount but due to a deadline NP needed to sign the contract to settle as soon as possible to lock in the revised settlement figure. On September

29, 2010, "Coluzzi" sent another email and provided the VO Group's mailing address together with instructions for NP to mail a \$26,585 check made payable to the VO Group, LLC. NP sent the check to the VO Group for \$26,585 believing that NP no longer had any financial obligation to Wyndham.

47. The investigation has revealed that NP's debt on NP's timeshare was never paid off, and NP has not gotten money back from the VO Group. During execution of the search warrant at the VO Group office, agents found a VO Group client information form at defendant STEVEN COX's desk which indicated that "Coluzzi" was the sales representative who was responsible for getting NP to send \$26,585 to the VO Group.

48. During interviews in November 2010, CS informed an FBI agent, in substance and in part, of the following: "Steve Coluzzi" (defendant STEVEN COX) called CS in August 2010 and said he was calling about CS' complaint made against Wyndham for a timeshare CS had purchased at Wyndham. CS told "Coluzzi" that in fact CS had a complaint against Wyndham; specifically, the Wyndham sales representative, defendant STEVEN COX, who had lied to CS when COX sold CS a Wyndham timeshare.⁹ "Coluzzi" said he worked with the bank who held CS' timeshare mortgage and would

⁹ The investigation has revealed that COX once worked for Wyndham.

contact the bank to come up with a settlement offer to satisfy CS' timeshare mortgage debt. "Coluzzi" also said CS would receive money back from Wyndham. "Robert Klein" (defendant ADAM LACERDA) also spoke with CS and confirmed the process "Coluzzi" had explained to CS. In an October 14, 2010 email sent to CS from "Coluzzi's" email account at the VO Group - a copy of which CS provided the FBI - "Coluzzi" wrote, in part: "We will have the Atlantic City contract cancelled, and Wyndham will refund your money based on these horrible sales tactics and mis-leading statements from Mr. Cox, and his associates." CS was informed that CS would have to pay \$9,180 to the VO Group and all existing timeshare mortgage debt would be satisfied. CS sent the money to the VO Group. 49. The investigation has revealed that CS' debt on CS' timeshare was never paid off, and CS has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group office, agents found VO Group client information forms at defendant STEVEN COX's desk which indicated that "Steve Coluzzi"/COX was the sales representative who was responsible for getting CS to send \$9,180 to the VO Group. A review of the VO Group bank account records shows the deposit of CS's check into the account on September 17, 2010. On the check in the memo section, CS wrote "PD in full."

Defendant IAN RESNICK

50. During an interview on December 7, 2010, RB informed an FBI agent, in substance and in part, of the following: someone from the VO Group contacted RB and advised that the VO Group - working directly for the banks that held timeshare mortgages - could settle all of RB's timeshare mortgage debt RB had with Wyndham. Several months later, defendant IAN RESNICK called RB and offered to settle RB's timeshare mortgage debt for \$11,500. In a September 9, 2010 email - a copy of which RB provided to the FBI - RESNICK wrote in part, "Per our conversation I spoke with the bank and secured a price of 11500 to settle your account. Understanding your situation, advised them of your military status."¹⁰ In a September 29, 2010 email, RESNICK provided RB the address where RB should send a check, namely, VO Group, LLC, at the P.O. Box in Pleasantville, New Jersey. On October 4, 2010, RB sent the VO Group \$3,000 as partial payment toward settling RB's debt, as RB did not have the money to pay all of the \$11,500 RESNICK purportedly had negotiated on RB's behalf.

51. The investigation has revealed that RB's debt on RB's timeshare was never paid off, and RB has not gotten back the money paid to the VO Group. During execution of the search

¹⁰ RB advised the interviewing FBI agent that RB was an active member of the United States military.

warrant at the VO Group office, agents found a VO Group client information form at defendant IAN RESNICK's desk which indicated that RESNICK was the sales representative who was responsible for getting RB to send \$3,000 to the VO Group.

52. During an interview on January 4, 2011, DG informed an FBI agent, in substance and in part, of the following: defendant IAN RESNICK called DG and said that he was contacting timeshare owners who had complaints against Wyndham. RESNICK further said that WYNDHAM had lied to its customers, and that the VO Group was helping Wyndham timeshare owners pay off their timeshare mortgages. RESNICK said that he could settle DG's \$28,000 timeshare mortgage debt for \$14,500. RESNICK explained that the reason he could make this offer was because Wyndham had sold numerous mortgage loans to various banks, and the banks wanted to get the loans off their books. DG sent \$14,500 to the VO Group to pay off DG's timeshare mortgage debt.

53. The investigation has revealed that DG's timeshare mortgage debt was never paid off, and DG has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group' office, agent found the above-referenced "Script for Calling" in defendant IAN RESNICK's office.

Defendant RYAN E. BIRD

54. During an interview on November 23, 2010, EC informed

an FBI agent, in substance and in part, of the following:

"Matthew Bross" (defendant RYAN E. BIRD) telephonically contacted EC and said that he had received EC's complaint about EC's Wyndham timeshare. "Bross" told EC he had EC's file in front of him, and that he worked directly with the banks and the banks were offering unhappy timeshare owners the ability to settle their timeshare mortgage debt for a discounted price. At the time, EC owed approximately \$71,000 on EC's Wyndham timeshare mortgage. "Bross" explained that the banks were afraid of having timeshare mortgage loans going into default and wanted to settle now with their customers to get the loan paid off. "Bross" offered to satisfy EC's entire debt for \$23,339.96. "Robert Klein" (defendant ADAM LACERDA) also spoke with EC and provided EC with the same information as "Bross." "Klein" said the VO Group did not lie to EC, and everything would be settled. EC accepted the offer to settle EC's timeshare mortgage debt, and paid the VO Group \$23,339.96. using three different credit cards.

55. The investigation has revealed that EC's debt on EC's timeshare was never paid off and EC has not gotten back the money paid to the VO Group. A review of VO Group records has revealed that defendant RYAN E. BIRD was paid \$6,000 as a "commission" for getting EC to send \$23,339.96 to the VO Group.

56. During an interview, CS-1 informed an FBI agent, in

substance and in part, of the followings: "Christopher Jackson" (defendant RYAN E. BIRD) telephonically contacted CS in July 2010 and said he was calling in reference to CS-1's outstanding timeshare mortgage loan with Wyndham. At the time, CS-1 owed Wyndham approximately \$36,350. "Jackson" offered to pay off this loan for a one time payment of \$18,000. CS-1 mailed a cashier's check made payable to the VO Group LLC for \$18,000 to the Post Office Box in Pleasantville, New Jersey on July 15, 2010.

57. A review of the return-receipt postcard reveals that defendant ADAM LACERDA signed for the money CS-1 mailed to the VO Group. The investigation has determined that CS-1's debt on CS-1's timeshare was never paid off. CS-1 informed an FBI agent, in substance and in part, that CS-1 contacted the VO Group numerous times to determine why the loan was never paid off. CS-1 was unsuccessful in that regard. During execution of the search warrant at the VO Group's office, agents found several telephone messages from CS-1 for "Jackson." A review of VO Group records has revealed that defendant RYAN E. BIRD was paid \$4,066 as a "commission" for getting CS-1 to send \$18,000 to the VO Group.

Defendant ALFRED GIORDANO, a/k/a "Alex Jordan"

58. During an interview on November 15, 2010, RS informed an FBI agent, in substance and in part, of the following: defendant ALFRED GIORDANO, a/k/a "Alex Jordan," called RS and

said the VO Group was offering a bank buyout and could get a deal to settle RS' outstanding timeshare mortgage debt. ALFRED GIORDANO, a/k/a "Alex Jordan," explained that the banks wanted to settle timeshare owners' mortgage debt at a discount because the banks were afraid of losing the loan. "Robert Klein" (defendant ADAM LACERDA) then called RS to verify the same details ALFRED GIORDANO, a/k/a "Alex Jordan," had given RS. At the time, RS owed approximately \$100,000 in timeshare mortgage debt. RS mailed the VO Group a \$19,777 check to settle RS' timeshare mortgage debt.

59. The investigation has revealed that RS' debt on RS' timeshare was never paid off, and RS has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group's office, agents found a VO Group Client Information form for RS which indicated that defendant ALFRED GIORDANO, a/k/a "Alex Jordan," was the sales representative responsible for getting RS to send \$19,777 to the VO Group.¹¹

" CW-1 has informed the FBI that defendants ALFRED GIORDANO and VINCENT GIORDANO both used the alias "Alex Jordan." Several other former VO Group employees also informed the FBI that ALFRED GIORDANO and VINCENT GIORDANO both used the alias "Alex Jordan." In this example, however, the investigation has revealed that defendant ALFRED GIORDANO was the sales representative responsible for getting RS to send money to the VO Group, based on RS informing the FBI agent that RS spoke to ALFRED GIORDANO (using his real name) and the

Defendant FRANCIS SANTORE

60. During an interview on October 14, 2011, FJ informed an FBI agent, in substance and in part, of the following: FJ received a call from the VO Group in September 2010 and was told that Wyndham had used high pressure sales tactics when it sold a timeshare to FJ, and that the VO Group could get FJ's timeshare cancelled. In December 2010, FJ sent the VO Group \$9,000 which represented the VO Group's fee to get FJ's timeshare canceled. At that time, FJ spoke with defendant FRANCIS SANTORE who told FJ that the VO Group worked with the bank which held FJ's timeshare mortgage to make an accommodation for FJ.

61. The investigation has revealed that FJ's timeshare was never canceled, and FJ has not gotten back any of the money FJ paid to the VO Group.

Defendant BRIAN CORLEY, a/k/a "John Corley"

62. During an interview on November 30, 2010, CS-2 informed an FBI agent, in substance and in part, of the following: Beginning in May 2010, "Robert Klein" (defendant ADAM LACERDA) and "Brian" of the VO Group called CS-2 and said that the VO Group would be able to exchange CS-2's 1 million timeshare points

VO Group Client Information form for RS which lists ALFRED GIORDANO as the sales representative responsible for getting RS to send money to the VO Group.

for 500 - 600 timeshare points and for \$25,000, the VO Group would eliminate CS-2's approximately \$95,000 timeshare mortgage debt with Wyndham. Although CS-2 was skeptical, CS-2 decided to get a loan from a bank and sent \$25,000 to the VO Group. CS-2 provided the FBI with notes CS-2 took during the conversations. Those notes indicate that CS-2 had spoken to defendant BRIAN CORLEY, a/k/a "John Corley," and that CORLEY had said the VO Group was working with Textron Financial to settle CS-2's timeshare mortgage debt. CS-2 mailed a cashier's check made payable to Vacation Ownership Group for \$25,000 to the Post Office Box in Pleasantville, New Jersey on May 17, 2010.

63. A review of the return-receipt postcard reveals that defendant ADAM LACERDA signed for the money CS-2 mailed to the VO Group. The investigation has revealed, however, that CS-2's timeshare mortgage debt was never eliminated, and CS-2 received no money back from the VO Group.

64. During an interview on November 23, 2010, SF informed an FBI agent, in substance and in part, of the following: defendant BRIAN CORLEY, a/k/a "John Corley," contacted SF and said that the VO Group could pay off SF's existing Wyndham timeshare mortgage debt. CORLEY explained that the VO Group was working directly with Wyndham and the banks holding timeshare mortgages, and due to the bad economy they wanted to get the bad

paper off their books. CORLEY explained the VO Group would settle SF's approximately \$43,000 timeshare mortgage debt for a one time payment of \$23,000. After sending the VO Group the money, the VO Group became very elusive and would not take SF's calls.

65. During execution of the search warrant at the VO Group's office, agents found a VO Group Client Information form for SF which indicated that "John Corley" was the sales representative responsible for getting SF to send \$23,000 to the VO Group.

Defendant VINCENT GIORDANO

66. During an interview on November 17, 2010, PL informed an FBI agent, in substance and in part, of the following: "Alex Jordan" (defendant VINCENT GIORDANO) called PL in July 2010 and said that the VO Group was a consumer protection agency whose fees were paid from funds dedicated as part of a consumer protection law. "Jordan" said Wyndham must have done something wrong in selling PL a timeshare, and that the VO Group would help PL with PL's existing timeshare mortgage debt of approximately \$54,000. PL mailed an official check made payable to the VO Group LLC in the amount of \$11,177 to Post Office Box 112, Pleasantville, New Jersey on or about July 29, 2010.

67. A review of the return receipt postcard reveals that

defendant ASHLEY R. LACERDA signed for the money PL mailed to the VO Group. The investigation has revealed that PL's timeshare was never paid off and PL has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group's office, agents found a VO Group Client Information form for PL which indicated that defendant VINCENT GIORDANO/"Alex Jordan" was the sales representative responsible for getting PL to send \$11,177 to the VO Group.

68. During an interview on December 8, 2010, WM informed an FBI agent, in substance and in part, of the following: "Alex Jordan" (defendant VINCENT GIORDANO) called WM in September 2010 and said that the VO Group was working with a bank and Wyndham to consolidate WM's two timeshares. At the time, WM owed approximately \$33,000 in mortgages on both timeshares. "Jordan" said that for the price of \$11,232, WM could receive free and clear title on the timeshares. In a September 3, 2010 email sent to WM from defendant VINCENT GIORDANO's email account at the VO Group - a copy of which WM provided to the FBI - "Jordan" wrote, in part: "We are proposing a lower amount of points with a lower payoff figure. The possible option would be 189,000 points with a much lower payoff figure of \$11,232. This is not a guaranteed offer at this time it is just a proposal. With your agreement it would be submitted to the loan holder for approval and

acceptance." The email is signed "Jordan." WM mailed \$11,232 to the VO Group at the Post Office Box in Pleasantville, New Jersey on or about September 27, 2010.

69. The investigation has revealed that the VO Group never paid off WM's timeshare debt, and WM has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group's office, agents found a VO Group Client Information form for WM which indicated that defendant VINCENT GIORDANO/"Alex Jordan" was the sales representative responsible for getting WM to send \$11,232 to the VO Group.

Defendant JOSEPH SAXON

70. During an interview on November 12, 2010, GN informed an FBI agent, in substance and in part, of the following: defendant JOSEPH SAXON called GN in May 2010 and said he could settle GN's outstanding \$9,000 timeshare mortgage with Flagship for \$5,954. GN was uncomfortable with engaging in the transaction; defendant ADAM LACERDA then called GN and repeated what SAXON had said. When GN asked how the VO Group could settle timeshare owners' mortgage debt at a discount, ADAM LACERDA replied that the banks pay him quite handsomely to settle timeshare mortgages. GN mailed the VO Group the money but learned that the original timeshare was never paid off. GN tried more than fifty times to contact the VO Group but received no

assistance with getting back the money GN had paid to the VO Group. GN therefore filed a complaint with the Better Business Bureau in June 2010. ADAM LACERDA then called GN and tried to get GN to withdraw GN's complaint with the Better Business Bureau.

71. A review of the VO Group bank account records has revealed a deposit into that account on June 2, 2010 in the amount of \$5,954. The deposit slip accompanying the deposit indicates that defendant ADAM LACERDA made the deposit into the VO Group account.

72. The investigation has revealed that GN's debt on GN's timeshare was never paid off and GN has not gotten back the money paid to the VO Group.

73. A review of additional business records has revealed that GN purportedly purchased another timeshare on July 6, 2010 as recorded in Atlantic County, New Jersey on July 29, 2010. The property is located at 60 North Maine Avenue, Atlantic City, New Jersey 0840 known as the Flagship with a purchase price of \$597.00. The FBI has learned that the annual maintenance fee for this property is \$586.82 which GN will be obligated to pay until GN can prove the purchase was not authorized. Notably, the new deed for this property lists GN as an owner with an address of the P.O. Box in Pleasantville, New Jersey - the post office box

for the VO Group. Based on my education, training, and experience, listing the VO Group's address as though it was the address of GN was to ensure delay in having GN learn that GN now owned a second timeshare.

Defendant AIMEE ALLEN

74. During an interview on December 16, 2010, DG informed an FBI agent, in substance and in part, of the following: defendant AIMEE ALLEN and "Alex Jordan" (defendant VINCENT GIORDANO) contacted DG in July 2010. ALLEN asked if DG was satisfied with DG's Wyndham timeshare. ALLEN referred DG to "Jordan." "Jordan" said that the VO Group had a deal with banks which had purchased Wyndham timeshare mortgages and could pay off timeshare mortgages by negotiating a better price because the banks wanted to reduce the risk of timeshare owners not paying their timeshare mortgages. "Jordan" offered DG a "one time price" of \$9,177 to pay off DG's approximately \$13,000 timeshare mortgage. DG sent the money to the VO Group, believing that DG was paying off DG's timeshare mortgage debt.

75. The investigation has revealed that DG's timeshare mortgage was never paid off, and DG has not gotten back the money paid to the VO Group.

76. During execution of the search warrant at the VO Group's office, agents found at defendant AIMEE ALLEN's desk the

above-referenced "Script for Calling" on which ALLEN's name was placed at the top of the form, the above-referenced "Vacation Ownership Group Phone Objective," and a VO Group Client Information Form indicating that ALLEN and defendant VINCENT GIORDANO were the sales representatives responsible for getting DG to send \$9,177 to the VO Group. Agents also found an address book belonging to ALLEN which lists DG's name and a notation that ALLEN was paid \$2,219 for getting DG to send \$9,177 to the VO Group. In addition, agents found another script which read, in part:12

Which bank has my loan?

We don't know the specifics, it is something I have to look into if this is something you would like to take advantage of. All money is held in corporate financing. They hold millions of dollars from timeshare owners. Timeshare companies sell their loans to other banks: Bank of America, Wells Fargo, Textron etc. You sign a form when you purchase stating its ok to do so. We work for banks (and consumers) and are told to call you to give you one more chance to take advantage of this opportunity due to the economy and unhappy owners. They want to make sure they receive their money. .

40% of timeshare owners are going into foreclosure so the banks were offering them settlements on their loans. Once they offer a settlement to one person, by law they have to

¹² As set forth below, an FBI agent interviewed ALLEN on or about February 27 and March 1, 2012. During the interview, ALLEN admitted, in substance and in part, that this script was hers which she received during a training session at the VO Group on what to say during "sales calls."

offer it to everyone. . . . If you were in fact offered a settlement and declined on the offer then there is nothing I can do. I need to investigate your account to see if you signed on the declined offer. I can see certain things on your account that you can't: manager's notes, sales representative's notes and whether you declined on any offers.

It is showing that there is decline on your account. A lot of people blow through the paperwork not realizing what they are signing. It shows that they check the box of decline but as I scroll down I see that there is no signature. We need your signature in order of the decline to be valid. What I am going to do is reverse this and see if we can open a case and get a settlement approved for you.

Defendant GENEVIEVE MANZONI

77. During an interview on December 14, 2010, JW informed an FBI agent, in substance and in part, of the following:

"Genevieve" contacted JW on or about October 7, 2010.

"Genevieve" said that she worked for the VO Group which represented banks and lenders who held timeshare mortgages.

"Genevieve" explained that the banks did not want timeshare owners to become frustrated and stop making timeshare mortgage payments which would force the banks to foreclose on the timeshare. "Genevieve" told JW that the VO Group could buy JW out of JW's existing timeshare for \$11,236 and transfer JW's ownership to a different timeshare. At the time, JW owed \$16,000 on JW's existing timeshare mortgage. When JW had additional questions about the transaction, "Genevieve" referred JW to "Robert Klein" (defendant ADAM LACERDA). "Klein" said that the

VO Group helps clean out the "flooded timeshare market." JW mailed \$11,236 to the VO Group at the Post Office Box in Pleasantville, New Jersey.

78. The investigation has revealed that the VO Group did not buy JW out of JW's existing timeshare, and instead, sold JW more property which doubled the amount of timeshare property JW owned. JW is unable to afford the additional timeshare property. During execution of the search warrant at the VO Group's office, agents found a VO Group client information form for JW which indicated that defendant GENEVIEVE MANZONI was the sales representative responsible for getting JW to send \$11,236 to the VO Group. The client information form - found at MANZONI's desk - also bears a handwritten notation that on October 13, 2010, JW "spoke with Adam (Robert Klein)."

Defendant ERIC REILLY

79. During interviews on December 2, 2010 and March 11, 2011, DA informed an FBI agent, in substance and in part, of the following: defendant ERIC REILLY telephonically contacted DA and said that financial institutions holding timeshare mortgages issued to Wyndham timeshare owners had contacted the VO Group and had given the VO Group authority to settle outstanding timeshare mortgage loans. REILLY explained that because of the bad economy, people were defaulting on their timeshare mortgages and

therefore the banks were offering to settle debts at a discount. REILLY said that the VO Group would call DA back once REILLY was able to speak with the financial institution that held DA's timeshare mortgage loan note. "Alex Jordan" (defendant VINCENT GIORDANO) then called DA and offered to settle DA's timeshare mortgage debt of approximately \$100,000 for a one time payment of \$31,385. REILLY also sent DA an email on October 14, 2010 - a copy of which DA provided to the FBI - in which REILLY provided three references DA could contact about the VO Group, namely, "Amy Dillard" of Myrtle Beach, South Carolina; "Eric Mathison" of Brooklyn, New York; and "Alfred Lanuto" of Conway, South Carolina. DA contacted "Amy Dillard" who told DA that the VO Group had saved her "tons of money."

80. The investigation has revealed that the telephone number listed in defendant ERIC REILLY'S October 14, 2010 email, is associated with defendant AIMEE ALLEN.¹³ In addition, the telephone number for "Eric Mathison" is associated with REILLY, and the telephone number for "Alfred Lanuto" is associated with defendant VINCENT GIORDANO.

81. DA informed law enforcement officers, in substance and

¹³ As set forth below, an FBI agent interviewed ALLEN on or about February 27 and March 1, 2012. During the interview, ALLEN admitted, in substance and in part, to posing as satisfied customer of the VO Group.

in part, that DA sent the VO Group a \$31,385 check made payable to the VO Group on or about October 22, 2010. A review of the VO Group's bank account records shows the check having been deposited on October 28, 2010. In addition, a review of DA's check shows that DA wrote "Settlement on Wyndham" in the memo section on the check. During execution of the search warrant at the VO Group's office, FBI agents found a VO Group client information form for DA which indicated that REILLY was the sales representative who was responsible for getting DA to send \$31,350 to the VO Group.

Defendant CATHERINE BANNIGAN

82. During an interview on November 19, 2010, ES informed an FBI agent, in substance and in part, of the following: "Cathi" called ES and said that mortgage companies to whom Wyndham had sold timeshare mortgages were paying the VO Group to settle timeshare mortgages for less than the full amount of the loan.¹⁴ "Cathi" explained that the mortgage companies were skeptical of timeshare owners and believed that the timeshare mortgage loans the companies held were at risk. "Cathi" further said that the mortgage companies allowed the VO Group to

¹⁴ As set forth below, during an interview with FBI agents, defendant CATHERINE BANNIGAN admitted, in substance and in part, to providing false information to ES when she got ES to send money to the VO Group.

negotiate the amount timeshare owners owed on their mortgage loans. "Cathi" offered to settle ES' timeshare mortgage loan for \$18,539.65. At the time, ES owed approximately \$43,000 in timeshare mortgage debt. ES sent the \$18,539.65 to the VO Group.

83. The investigation has revealed that ES's timeshare mortgage was never paid off, and ES has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group office, agents found a VO Group client information form for ES which indicated that defendant CATHERINE BANNIGAN was the sales representative who was responsible for getting ES to send \$18,539.65 to the VO Group.

84. During an interview on November 24, 2010, PW informed an FBI agent, in substance and in part, of the following: "Cathy" called PW in September 2010 and said she was contacting Wyndham timeshare owners because most of the Wyndham timeshare owners she had already called were disgusted with timeshare dealings, and "Cathy" wanted to know if PW was satisfied with Wyndham. "Cathy" further said that for a price of \$11,900, the VO Group would pay off PW's approximately \$39,000 timeshare mortgage debt. PW sent the money to the VO Group.

85. The investigation has revealed that PW's timeshare mortgage was never paid off, and PW has not gotten back the money paid to the VO Group. In addition, a review of the VO Group's

bank account records reveals that defendant CATHERINE BANNIGAN received a \$1,790 "commission" check from the VO Group which she cashed on September 27, 2010. The memo section on the check indicated that the "commission" was for BANNIGAN getting PW to send \$11,900 to the VO Group.

Defendant ERIC K. REIFF

86. During interviews in November and December 2010, SK informed an FBI agent, in substance and in part, of the following: "Skip Ray" (defendant ERIC K. REIFF) called SK and said that SK's timeshare mortgage had been sold to Bank of America which had partnered with the VO Group to have the VO Group offer settlements of timeshare mortgage debt.¹⁵ "Ray" explained that the mortgages had been sold to the banks "for pennies on the dollar" which was why the bank could offer to settle the debt. "Ray" also said the bank was fearful that timeshare owners might default on their timeshare mortgages. "Ray" offered to settle all existing debt for a "one-time price" of \$21,328.28. After speaking with "Ray," SK spoke with "Ryan" who confirmed the process. When SK still has not sure about paying the VO Group to settle SK's timeshare mortgage debt, SK

¹⁵ As set forth below, during an interview with FBI agents, defendant ERIC K. REIFF admitted, in substance and in part, to providing false information to SK when he got SK to send money to the VO Group.

spoke with VO Group "attorney" "Robert Klein" (defendant ADAM LACERDA). "Klein" explained the entire transaction, and said that the VO Group's contracts were approved by the New Jersey Attorney General. Toward the end of September 2010, "Ray" contacted SK again and said that the banks had a push to settle the timeshare mortgage debts because they were at the end of a quarter. "Ray" further said he was not sure of the banks would offer the same deal the following month. SK therefore sent the \$21,232.38 to the VO Group.

87. The investigation has revealed that SK's timeshare mortgage was never paid off. A review of the VO Group's bank account records shows the deposit of SK's check in the amount of \$21,328.28 on October 4, 2010. In addition, a review of SK's check shows that SK wrote "for full and final settlement" in the memo section.

88. During execution of the search warrant at the VO Group's office, agents found at defendant ERIC K. REIFF's desk the above-referenced "Script for Calling" on which REIFF's name was placed, and the above-referenced "Resort Cancellation Campaign" and "Leaving Messages" scripts. Agents also found REIFF's personal notes - which REIFF acknowledged were his - about what to say during "sales" calls: "We are a company paid to do investigations. Do you think if we help make settlements

for lenders that want \$\$ to lend for more secured loans. Wyndham pushing off all their unsecured debt."16

Defendant JOSEPH DIVENTI

89. During an interview on April 4, 2011, CL informed an FBI agent, in substance and in part, of the following: Defendant JOSEPH DIVENTI called CL in August or September 2010 and asked if CL would be interested in getting CL's timeshare cancelled. CL told DIVENTI that CL was interested. Defendant RYAN E. BIRD then called CL and said that in addition to getting CL's timeshare mortgage canceled, the VO Group could get CL \$20,080 back. BIRD also said that if CL's timeshare was not canceled, the VO Group would return the fee. BIRD told CL that the VO Group's fee to cancel CL's timeshare would be \$2,080. CL said CL could pay half of the fee up front, and would pay the other half of the fee once the VO Group got CL's timeshare canceled. CL mailed a check to the VO Group in the amount of \$1,040 on or about September 30, 2010.

90. A review of the VO Group's bank account records has revealed that CL's \$1,040 check was deposited into the VO Group

¹⁶ As set forth below, FBI agents interviewed REIFF on or about February 8, 2011. During the interview, REIFF admitted, in substance and in part, that these notes were his which he took during a training session at the VO Group on what to say during "sales calls."

account on October 4, 2010. The investigation has revealed, however, that CL's timeshare was never canceled. During execution of the search warrant at the VO Group's office, agents found a VO Group client information form for CL which lists defendant JOSEPH DIVENTI as the sales representative responsible for getting CL to send \$1,040 to the VO Group.

Co-Conspirator 1

91. During an interview on December 2, 2010, RC informed an FBI agent, in substance and in part, of the following: Co-Conspirator 1 called RC in October 2010 and said that the VO Group could settle RC's approximately \$23,000 Wyndham timeshare mortgage debt for \$9,900. RC agreed, and mailed two checks totaling \$9,900 to the VO Group's Post Office box.

92. The investigation has revealed that RC's debt on RC's timeshare was never paid off, and RC has not gotten back the money paid to the VO Group. During execution of the search warrant at the VO Group office, agents found a VO Group client information form which indicated that Co-Conspirator 1 was the sales representative who was responsible for getting RC to send \$9,900 to the VO Group.

Co-Conspirator 2

93. During an interview on November 30, 2010, JP informed an FBI agent, in substance and in part, of the following: Co-

Conspirator 2 called JP in August 2010 and said that the VO Group could settle JP's existing Wyndham timeshare mortgage debt for a one-time payment at a reduced rate. Co-Conspirator 2 explained that the banks holding timeshare mortgages were willing to accept a reduced amount to avoid the loans going into default as there was a forty percent foreclosure rate in the timeshare industry. JP told Co-Conspirator 2 that JP owed approximately \$17,000 on JP's Wyndham timeshare mortgage. Co-Conspirator 2 called JP the next day and said the bank offered to settle if JP could pay \$8,000. After obtaining a loan to pay the \$8,000, JP overnighted a check for approximately \$8,000 on October 24, 2010 to the VO Group.

94. The investigation has revealed that JP's debt on JP's timeshare was never paid off. During execution of the search warrant at the VO Group office, agents found a VO Group client information form which indicated that Co-Conspirator 2 was the sales representative who was responsible for getting JP to send \$8,000 to the VO Group.

95. During an interview in November 2010, TC informed an FBI agent, in substance and in part, of the following: Co-Conspirator 2 called TC in September 2010 and said the VO Group represented the bank that owned TC's Wyndham timeshare mortgage loan. Co-Conspirator 2 said he had spoken with the bank and the

VO Group could offer to buy out TC's timeshare mortgage note for a big discount. Co-Conspirator 2 explained that the banks were willing to settle timeshare mortgages now because the timeshare mortgage foreclosure rate was so high. TC told Co-Conspirator 2 that TC owed approximately \$12,500 on TC's Wyndham timeshare mortgage. Co-Conspirator 2 offered to settle the loan for \$5,495. TC sent the money to the VO Group.

96. The investigation has revealed that TC's debt on TC's timeshare was never paid off, and TC has not gotten any money back from the VO Group.

INTERVIEWS OF THE DEFENDANTS

97. On November 4, 2010, FBI agents interviewed defendant ADAM LACERDA. During the interview, ADAM LACERDA admitted, in substance and in part, of the following: The VO Group did not work with any banking or lending institutions. In addition, the VO Group had no ability to pay off any person's timeshare contract. Although the VO Group would offer to settle a timeshare owner's timeshare mortgage, the VO Group did not settle the original timeshare debt and did not do anything on the customer's behalf. ADAM LACERDA had clients send checks to a Post Office Box in Pleasantville, New Jersey. In addition, he used fake names while conducting business at the VO Group, including "Robert Klein." At first, ADAM LACERDA denied using

the VO Group's business account for his personal gain. When pressed further, however, ADAM LACERDA changed his story and admitted, in substance and in part, that he in fact did so use the VO Group's business account. During the interview, FBI agents asked ADAM LACERDA to sign a form indicating that what he was saying during the interview was truthful. ADAM LACERDA declined to sign the form.

98. On November 4, 2010, FBI agents interviewed defendant ASHLEY R. LACERDA. During the interview, ASHLEY LACERDA admitted, in substance and in part, to the following: she owns the VO Group. She sent out the contracts customers signed pertaining to the VO Group's services. In addition, she used the VO Group business account for her personal gain.

99. On November 4, 2010, FBI agents interviewed defendant STEVEN COX. During the interview, COX admitted, in substance and in part, that he made a twenty percent commission on getting NP to send approximately \$26,000 to the VO Group.

100. On November 19, 2010, FBI agents interviewed defendant IAN RESNICK. During the interview, RESNICK admitted, in substance and in part, that he never had a timeshare owner's "complaint" about a timeshare when speaking with a timeshare owner, and was not sure whether such a complaint even existed.

101. On November 4 and 12, 2010, and January 25, 2012, FBI

agents interviewed defendant RYAN E. BIRD. During the November 4 interview, BIRD admitted, in substance and in part, to the following: He used fake names while conducting business at the VO Group, including "Chris Jackson," and "Matthew Bross." He told customers of the VO Group that the VO Group worked directly for banks and had the ability to settle customer's timeshare mortgage debt. He also falsely told customers that the VO Group worked with timeshare Property Owner's Associations. BIRD often told customers that he would need to work with the VO Group's legal team, even though no such legal team existed. BIRD received up to a forty percent "commission" for getting a timeshare owner to send money to the VO Group, and he believed he completed about thirty such transactions for the VO Group. During the November 12 interview, BIRD further admitted, in substance and in part, that he often told people he was calling about their timeshare complaint even though he had no idea if a complaint was ever filed. BIRD explained that although he never saw a complaint, this was just a way to get the customer to listen to him. During the January 25 interview, BIRD again admitted, in substance and in part, to the following: He falsely told customers of the VO Group that the VO Group was working with banks to settle timeshare owners' mortgage debt, he falsely told customers he was calling about their timeshare

complaint, he used the fake name "Chris Jackson" when calling customers, and made an approximately 40 percent commission on the amount of money he got timeshare owners to send to the VO Group. BIRD also stated, in substance and in part, the following: When calling timeshare owners, BIRD told them he would look into their timeshare account and pretend that he was researching their issues and their account which was never the case. He also told the owners he could negotiate a resolution for them which was not true. The contracts sent to timeshare owners that purportedly encapsulated the service the VO Group would provide the owner contained language that would deliberately mislead the owner into believing that the VO Group would be doing something to get the owner's timeshare cancelled. BIRD also observed that the VO Group website currently stated that the VO Group never worked with banks. BIRD said this statement was added to the VO Group website after the FBI executed the above-referenced search warrant.

102. On November 4, 2010, FBI agents interviewed defendant ALFRED GIORDANO, a/k/a "Alex Jordan,". During the interview, ALFRED GIORDANO, a/k/a "Alex Jordan," admitted, in substance and in part, that he hand-wrote the above-referenced "Simple Principals of a Settlement" script the conspirators used when making calls from the VO Group.

103. On October 3, 2011, FBI agents interviewed defendant FRANCIS SANTORE. During the interview, SANTORE denied using a fake name while working at the VO Group. When confronted about whether SANTORE ever used the name, "Frank Martin," however, SANTORE admitted, in substance and in part, that in fact he had used it as a fake name.

104. On January 27, 2012, FBI agents interviewed defendant BRIAN CORLEY, a/k/a "John Corley,". During the interview, CORLEY admitted, in substance and in part, to the following: While working at the VO Group, CORLEY called timeshare owners and inquired about any problems the timeshare owners had with their timeshares. Following various scripts, CORLEY told the timeshare owners that the VO Group was working on behalf of a timeshare owner's Property Owner's Association, bank, or lending institution - none of which was true. CORLEY did not put into writing that the VO Group was working with a bank or lending institution because as "any sales person knows, if you're going to lie, not to put it into writing." CORLEY told the timeshare owners that the VO Group could settle the timeshare owner's timeshare mortgage debt, even though the VO Group had no ability to do so. CORLEY also used a different sales pitch when speaking with timeshare owners in which he claimed that in addition to getting the timeshare owner's timeshare mortgage canceled, the VO

Group could get Wyndham to issue a refund to the timeshare owner which was also untrue. When agents asked what CORLEY did wrong at the VO Group, CORLEY responded, "everything."

105. On November 4, 2010, FBI agents interviewed defendant VINCENT GIORDANO. Despite WM's recollection of what VINCENT GIORDANO said about working with a bank - as referenced above - or the September 3, 2010 email from VINCENT GIORDANO which indicated that he was working with a bank, VINCENT GIORDANO claimed that he had not used a fake name and had not said he dealt with any bank or lending institution.

106. On November 8, 2010, FBI agents interviewed defendant JOSEPH SAXON. During the interview, SAXON admitted, in substance and in part, to the following: When he telephoned timeshare owners, he said he was calling about the timeshare owner's complaint, even though he had no idea whether the timeshare owner had a valid complaint or not. He falsely told timeshare owners that the VO Group worked directly with banks and lending institutions, and also with timeshare Property Owner's Associations. SAXON explained to timeshare owners that the VO Group could settle outstanding timeshare mortgage debt at a discount because banks were fearful that timeshare owners would default on their payments, causing the timeshare mortgages to go into foreclosure. He pressured customers into believing that such

settlements were only being offered for a short period of time, such as ten days, and that if the customer did not complete a deal soon, the bank would pull the contract along with the settlement offer. SAXON also told other timeshare owners that the VO Group could get the owner's timeshare canceled - which was untrue - lulling the timeshare owner into believing that the timeshare owner had no further obligation for the timeshare debt. Throughout the interview, SAXON repeatedly said that what they did was wrong, that he was tired of all the lies which is why he quit working at the VO Group, and that he was sick of doing what he had been doing to timeshare owners. SAXON also provided the interviewing agents with his copy of the above-referenced "Script for Calling," and identified four individuals whom he defrauded while working at the VO Group.

107. On November 4, 2010, FBI agents interviewed defendant AIMEE ALLEN. During the interview, ALLEN stated, in substance and in part, that she had made approximately \$20,000 since she began working at the VO Group just a few months earlier. An FBI agent also interviewed ALLEN on or about February 27 and March 1, 2012. During that interview, ALLEN admitted, in substance and in part, to the following: ALLEN contacted timeshare owners and claimed she was investigating the timeshare owners' complaint. If the timeshare owner did not have a complaint, ALLEN tried to

get the person to remember or act as though the timeshare owner was mistaken. ALLEN falsely told timeshare owners that the VO Group could get the timeshare owner's timeshare canceled, that the cancellation was guaranteed, and came with a money-back guarantee. ALLEN further falsely told timeshare owners that Wyndham would refund money back to the timeshare owner. Despite what ALLEN told the timeshare owners in terms of cancellation, the VO Group never sent any cancellation letters out on behalf of timeshare owners and never negotiated on behalf of a timeshare owner to get the timeshare cancelled. ALLEN also falsely told timeshare owners that the VO Group could settle a timeshare owner's debt. After an initial sales pitch where ALLEN got the timeshare owner to disclose how much the timeshare owner had in timeshare mortgage debt, ALLEN would call back a second time with a made-up settlement offer and pretend that ALLEN had been working on getting a settlement offer from the bank holding the timeshare owner's timeshare mortgage. ALLEN used various telephone scripts when calling timeshare owners, including the above-referenced "Script for Calling" and the script referenced in Paragraph 76 above. ALLEN also pretended to be a satisfied VO Group customer when another sale representative needed to convince a timeshare owner to send money to the VO Group. During the interview, ALLEN repeatedly said what she did at the VO Group

was wrong, that she had lied to so many people, and was sorry for what she did.

108. On November 16, 2010 and August 1, 2, and 17, 2011, FBI agents interviewed defendant GENEVIEVE MANZONI. During the November 16 interview, MANZONI at first claimed she never told timeshare owners that the VO Group worked with banks to settle timeshare owners' timeshare mortgage debt. Later during the interview, however, MANZONI admitted, in substance and in part, that she told timeshare owners that the VO Group worked with lending institutions and/or banks. During the August 1 interview, MANZONI said, in substance and in part, that she had stopped working at the VO Group because the VO Group was not doing what it was supposed to do and instead was just taking people's money. During the August 2 interview, MANZONI admitted, in substance and in part, that she told timeshare owners that she was calling them in reference to their complaint even though she did not have such a complaint from the timeshare owner. During the August 17 interview, MANZONI stated, in substance and in part, that she is accountable for her actions at the VO Group and planned to ask for mercy from the judge.

109. On November 4, 2010, FBI agents interviewed defendant ERIC REILLY. During the interview, REILLY stated, in substance and in part, that he had been paid approximately \$7,100 by the VO

Group, representing a twenty percent commission, for three transactions on which he worked.

110. On November 4 and 23, 2010, FBI agents interviewed defendant CATHERINE BANNIGAN. During the interview November 4 interview, BANNIGAN admitted, in substance and in part, that she made up the settlement figures she provided timeshare owners to settle the timeshare owners' mortgage debt. During the November 23 interview, BANNIGAN admitted, in substance and in part, the following: The telephone scripts she used when speaking to timeshare owners were false. BANNIGAN falsely told timeshare owners that the VO Group worked with banks and mortgage companies to settle timeshare owners' timeshare mortgage debt. BANNIGAN provided false information to ES. BANNIGAN recognized her actions constituted fraud.

111. On February 8 and August 26, 2011, FBI agents interviewed defendant ERIC K. REIFF. During the February 8 interview, REIFF admitted, in substance and in part, that copies of the above-referenced "Script for Calling" and "Resort Cancellation Campaign" scripts were his. During the August 26 interview, REIFF admitted, in substance and in part, to the following: He used scripts when calling timeshare owners, telling the owners that the VO Group worked with banks holding timeshare owners' mortgage debt and had the ability to settle

those loans. What REIFF told people he called was not true, and the VO Group was all about lies and had lied to people in order to make money. For example, REIFF told SK that REIFF could settle SK's timeshare mortgage debt, as the VO Group was working directly with the bank that held SK's timeshare mortgage.

112. On November 4, 2010, FBI agents interviewed defendant JOSEPH DIVENTI. During the interview, DIVENTI stated, in substance and in part, that he had been paid approximately \$3,000 by the VO Group for three transactions on which he worked.